



## INFORMATION SHEET FOR CLOSING ATTORNEYS

### I. Title Insurance Commitment Binders

#### Schedule A

- (1) If a fee interest is involved, client needs a commitment to insure the party who will hold the fee interest.
- (2) Commitments must provide coverage for the State in the amount that the Clean Water Management Trust Fund is contributing to the purchase of the property or the conservation interest or both.
- (3) If a conservation easement interest is involved, client needs a commitment to insure the party who will hold the conservation easement interest, and that properly identifies the State if the State is to hold the conservation easement interest (directly or by assignment).
- (4) A single commitment can cover both a fee interest holder and a conservation easement interest holder if the parties and interests are properly identified.
- (5) Commitments should never identify the State's interest as a loan, mortgage, or security interest. The Clean Water Management Trust Fund does not loan funds.
- (6) Commitments must contain a sufficient legal description of the property and the conservation easement, as applicable, being insured.

#### Schedule B

- (7) Commitments must not contain exceptions as to matters of survey. A survey is always required, so this exception is not appropriate. Commitments may have a survey exception if the commitment says that the exception will be deleted from the final policy upon a survey being provided.
- (8) Commitments must provide affirmative coverage for access to a public road. This can be listed in requirements, exceptions, or added at the end of the document as an amendment.
- (9) Unless closing occurs prior to funding by the State and funds are not going to be paid into the closing attorney's trust account, commitments must provide for a closing protection letter for the State.
- (10) Commitments for conservation easements must not except the conservation easement that is being insured.

- (11) Commitments for conservation easements must not contain exceptions that undermine coverage of the conservation easement itself, such as exceptions that except, “Terms and conditions of that certain Conservation Easement between ABC Conservancy and the State of North Carolina recorded in Book\_\_\_\_, Page \_\_\_\_ ABC County.”
- (12) Commitments must not include unrestricted or ambiguous exceptions to coverage. (E.g. all easements and rights of way.)

## **II. Preliminary Title Opinion and Related Documents**

- (1) A copy of the closing attorney’s preliminary title opinion and all instruments referred to in the preliminary title opinion and the title commitment. This can be submitted as a single pdf file.

## **III. Public Access information for Surveys**

- (1) The closing attorney should provide the surveyor with information showing legal access from the relevant property to a public road if the property does not have existing public road frontage. If legal access does not exist, the CWMTF should be so advised.

## **III. Conservation Easements**

- (1) The closing attorney should assist with the legal descriptions of the Property and the Conservation Easement Area which need to be filled-in on Exhibit A and Exhibit B of the conservation easement.
- (2) The closing attorney should provide the exceptions to unencumbered Title that need to be stated at the end of “ARTICLE V” of the conservation easement.

## **IV. General Warranty Deeds**

- (1) The closing attorney must not put a disclaimer of title opinion on deeds.